



MEETING MINUTES
CITY OF HUNTINGTON BEACH
FINANCE BOARD
WEDNESDAY, MAY 13, 2009 AT 6:00 PM
CIVIC CENTER, LOWER LEVEL, ROOM B-8

- 1) **CALL TO ORDER:** At 6:05 PM, Chair Falzon called the meeting to order.
Present: Vice Chair LoGrasso Members: Corkett, Garcia, and King
Absent: Member Jones
Also Present: Bob Wingenroth, Director of Finance, Jennifer Lampman, Sr. Administrative Analyst, and Carrie Gonzales, Administrative Assistant
- 2) **PUBLIC COMMENTS:**
No public comments were made.
- 3) **APPROVAL OF MEETING MINUTES:**
April 8, 2009 – Member King made a motion to approve the minutes as amended, seconded by Vice Chair Lo Grasso. The motion was approved 4-0-1. (Member Corkett abstained)
- 4) **STAFF REPORTS/BUSINESS ITEMS:**
 - a) **Chairman's Update**
Chair Falzon did not have anything further to discuss that is not already covered on tonight's agenda.
 - b) **Cost Allocation and Fee Study Update**
Jennifer informed the Board that the cost allocation and fee study has a tentative agenda date of 6/1/09, to be presented to the City Council. If City Council approves the cost allocation plan and fee study, it will increase revenues between \$500,000 and \$1 million.
 - c) **Strategic Plan Update**
Bullet #1 – Jennifer informed the Board Members staff would be sharing their suggestions for the new financial policies with the City Council at the first study session in July.

The Board Members discussed the current financial policies. They potentially came up with the following:
 - Economic Uncertainties vs. Current unreserved
 - Add a new reserve for the CalPERS increases
 - Remove current formula driven reserve
 - The City should have two months of revenues in an economic uncertainty reserve
 - If the City uses a reserve, the City would need to establish a time frame to replenish it
The Board had the following questions regarding the current reserve policy:
 - When would the City tap into the first reserve?
 - What is the definition of an emergency? National, Economic, or as an example - 911
Bullet #2 – Jennifer mentioned to the Board that the City Administrator would like to have the Long Term Financial Plan be changed from the current a 10-year plan to a 5-year plan. The Board asked staff if it would be possible for them to receive a 10-year plan.
 - d) **Cost savings suggestions – Revenue generating ideas for City Council**
Jennifer mentioned the City Administrator gave the City Council Members a memo titled "Finance Board Budget Suggestions" and the Boards draft list of suggestions dated April 8, 2009. City Council had these documents at the May 4, study session and there were no comments made from them regarding these documents.



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Jennifer reviewed with the Board the draft list employee suggestions the City Administrator had given her. She mentioned the City Administrator sent a notice to all employees letting them know the deadline to have any further suggestions sent to him is May 15. The Board briefly reviewed and discussed the employee suggestions. Chair Falzon asked the Board Members to review the employee list and come prepared to discuss them at the June 10 meeting.

Jennifer reviewed the May 4, Mid-year budget review PowerPoint presentation that was mailed to the Board Members in their packet.

5) OPEN/CLOSED ITEM LIST

There were no changes made to the current open list.

6) COMMENTS FROM BOARD MEMBERS

There were no comments given by the Board members.

ADJOURNMENT

Member Garcia made a motion at 8:45 PM to adjourn the meeting to Wednesday, May 13, 2009, at 6:00 PM, seconded by Vice Chair LoGrasso. The motion was approved 4-0.

Respectfully submitted by:

Jennifer Lampman, Sr. Administrative Analyst
Secretary to the Finance Board